(c) if not, the issues yet to be settled and by which date the project is to be cleared;

(d) whether the merger of BRPL and IOCL has been finalised;

(e) if so, the details thereof; and

(f) if not, the reasons therefor and expected time of merger or any other alternative proposal?

THE MINISTER OF STATE FOR CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) to (c) The Assam Gas Cracker Project is being implemented by Reliance Assam Petrochemicals Ltd. (RAPL), a joint venture of Assam Industrial Development Corporation (AIDC) and Reliance Industries Ltd. (RIL). The progress in implementation of the project was affected on account of delay in finalisation of the Gas Supply Agreement and finalisation of location. On March 14, 2000, RAPL and Oil India Ltd. (OIL) have initialled the agreed clauses of the Gas Supply Agreement. The site for the project was required to be shifted in view of the objections raised by the Chabua Air Force Authorities. An alternate site has since been identified and Environment Impact Assessment Study commenced. RAPL maintains that the project is expected to be commissioned within 44 months from the date of finalisation of Gas Supply Agreement and handing over of land, which ever is later.

(d) No, Sir.

(e) and (f) Do not arise.

**Gap between the Demand and Supply of Fertilizers**

†3657. SHRI ANANTRAY DEVSHANKER DAVE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether there is a wide gap between the demand and supply of fertilisers and there is no uniformity in their prices in various parts of the country;

(b) if so, the reasons therefor;

(c) whether the fertiliser industry is facing financial problem in carrying out its capacity and expansion programmes;

(d) if so, the reasons therefor; and

†Original Notice of the Question was received in Hindi.

(e) the steps proposed to be taken by Government to extend financial assistance to the fertiliser industry ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS) : (a) and (b) The demand and production in nutrient terms in last two years have been as under :

| Year | Nutrient | Demand | Production |
|---|---|---|---|
| 1998-99 | Nitrogen (N) | 113.54 | 104.80 |
| | Phosphate (P) | 41.12 | 31.41 |
| | Potash (K) | 13.32 | — |
| 1999-2000 | Nitrogen (N) | 118.86 | 109.10 |
| (Estimated) | Phosphate (P) | 47.53 | 33.64 |
| | Potash (K) | 17.33 | — |

The gap in demand and indigenous production is not significant in case of nitrogen. Since the country has no known commercially exploitable resource of potash, the demand for potash is met entirely through imports. In case of phosphatic fertilisers, imports are made of Di-ammonium Phosphate (DAP) as well as of raw materials/ intermediates as the country does not have the requisite quantity and grade of rock phosphate in the country.

The Maximum Retail Price (MRP) of urea is statutorily notified and is uniform throughout the country. In case of major decontrolled fertilisers, the Government fixes MRP under the Concession Scheme of Department of Agriculture & Co-operation and is uniform throughout the country. The MRPs of Single Super Phosphate (SSP) are, however, fixed by the respective State Government.

(c) to (e) No, Sir. As per the Industrial Policy Resolution dated 24th July, 1991, no license is required for setting up / new expansion project in fertiliser sector. However, Public Sector Undertakings / Co-operative Societies under the administrative control of the Department of Fertilisers have to obtain approval of the Government before undertaking such capital expenditure as are beyond their delegated powers. No expansion proposal in the PAUs / co-operative societies is held up due to non- availability of funds.

In order to encourage investment in the fertiliser sector and to reduce the cost of production, facilities available to fertiliser industry, are at present as under:—

(i) Deemed Export Benefits to indigenous suppliers of capital goods to fertiliser projects provided such supplies are made under the procedure of international competitive bidding.

(ii) Reasonable return on investment to the entrepreneurs under the Retention Price-cum-Subsidy, at present applicable to existing urea capacity.

(iii) Concession on sale of decontrolled phosphatic and potassic fertilisers to farmers, to promote the balanced use of plant nutrients.

(iv) Import of capital goods for setting up of new plant / modernisation of existing units at a concessional rate of customs duty.

(v) Import of fertiliser raw materials and intermediates at a concessional rate of customs duty.

**Committee for revival of IDPL**

3658. SHRI KRISHNA KUMAR BIRLA:
SHRI R.S. GAVAI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have set up a committee to look into the revival plan for IDPL;

(b) if so, the composition of members of the committee;

(c) the total accumulated losses suffered by IDPL since its inception;

(d) whether the BIFR has failed to provide any revival package to IDPL since the past several years; and

(e) if so, by when the committee constituted for its revival is likely to submit its report to Government?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI RAMESH BAIS): (a) and (b) A Two-Member Committee consisting of a member from the industry and a senior officer of the Government